

# HOUSE BILL No. 1327

---

## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-3.5-7-22.5.

**Synopsis:** Randolph County CEDIT revenue. Allows Randolph County to spend county economic development income tax (CEDIT) revenue to renovate the county courthouse. Provides that a bond issued to finance a juvenile center in Randolph County may not be redeemed before the bond's final maturity date. Creates the Randolph County volunteer fire recommendation panel. Requires that the wage paid for certain projects funded by CEDIT in Randolph County be at least equal to the common construction wage recommended by the department of workforce development.

**Effective:** July 1, 2004.

---

---

**Liggett**

---

---

January 15, 2004, read first time and referred to Committee on Labor and Employment.

---

---

C  
o  
p  
y



Introduced

Second Regular Session 113th General Assembly (2004)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2003 Regular Session of the General Assembly.

## HOUSE BILL No. 1327

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1       SECTION 1. IC 6-3.5-7-22.5, AS AMENDED BY P.L.224-2003,  
2       SECTION 258, IS AMENDED TO READ AS FOLLOWS  
3       [EFFECTIVE JULY 1, 2004]: Sec. 22.5. (a) This section applies to a  
4       county having a population of more than twenty-seven thousand four  
5       hundred (27,400) but less than twenty-seven thousand five hundred  
6       (27,500).  
7       (b) In addition to the rates permitted by section 5 of this chapter, the  
8       county council may impose the county economic development income  
9       tax at a rate of twenty-five hundredths percent (0.25%) on the adjusted  
10      gross income of county taxpayers if the county council makes the  
11      finding and determination set forth in subsection (c).  
12      (c) In order to impose the county economic development income tax  
13      as provided in this section, the county council must adopt an ordinance  
14      finding and determining that revenues from the county economic  
15      development income tax are needed to pay the costs of:  
16      (1) financing and renovating the former county hospital for  
17      additional office space, educational facilities, nonsecure juvenile



C  
o  
p  
y

facilities, and other county functions, including the repayment of bonds issued, or leases entered into for renovating the former county hospital for additional office space, educational facilities, nonsecure juvenile facilities, and other county functions;

(2) financing, constructing, acquiring, renovating, and equipping buildings for a volunteer fire department (as defined in IC 36-8-12-2) that provides services in any part of the county; ~~and~~

(3) financing, constructing, acquiring, and renovating firefighting apparatus or other related equipment for a volunteer fire department (as defined in IC 36-8-12-2) that provides services in any part of the county; ~~The revenues from the county economic development income tax imposed under this section may not be used to pay the costs of and~~

**(4) financing, constructing, acquiring, renovating, and equipping the county courthouse.**

(d) If the county council makes a determination under subsection (c), the county council may adopt a tax rate under subsection (b). The tax rate may not be imposed at a rate or for a time greater than is necessary to pay for the purposes described in this section.

(e) The county treasurer shall establish a county option tax revenue fund to be used only for the purposes described in this section. County economic development income tax revenues derived from the tax rate imposed under this section shall be deposited in the county option tax revenue fund before making a certified distribution under section 11 of this chapter.

(f) County economic development income tax revenues derived from the tax rate imposed under this section:

- (1) may only be used for the purposes described in this section;
- (2) may not be considered by the department of local government finance in determining the county's maximum permissible property tax levy limit under IC 6-1.1-18.5; and
- (3) may be pledged to the repayment of bonds issued, or leases entered into, for the purposes described in subsection (c).

(g) A county described in subsection (a) possesses:

- (1) unique fiscal challenges to finance the operations of county government due to the county's ongoing obligation to repay amounts received by the county due to an overpayment of the county's certified distribution under IC 6-3.5-1.1-9 for a prior year; and
- (2) unique capital financing needs related to the purposes described in subsection (c).

**(h) This subsection applies if a county council pledges, before**

C  
o  
p  
y



July 1, 2004, county economic development income tax revenues derived from the tax rate imposed under this section to the repayment of bonds issued, or leases entered into, for a purpose described in subsection (c)(1). Notwithstanding any provision to the contrary in a bond ordinance or resolution, a bond issued for a purpose described in subsection (c)(1) may not be redeemed or called before the bond's final maturity date as stated in the bond ordinance or resolution. The county council shall spend the county economic development income tax revenues derived from the tax rate imposed under this section as follows:

(1) First, to repay a bond issued or lease entered into for a purpose described in subsection (c)(1).

(2) Second, in equal amounts, to pay the following:

(A) Costs described in subsection (c)(2) or (c)(3).

(B) Costs described in subsection (c)(4).

(i) If a county council adopts a tax rate under subsection (b), there is created a volunteer fire recommendation panel. The panel shall make recommendations to the county council concerning the expenditure of revenues to pay costs described in subsection (c)(3). The panel consists of five (5) members appointed by the county council who:

(1) are affiliated with a volunteer fire department that is located in or serves the county; and

(2) evenly represent the population distribution of the county.

A member serves at the pleasure of the county council.

(j) The wages paid for a project described in subsection (c) must be at least equal to the common construction wage (as defined in IC 5-16-7-4) recommended for the project by the department of workforce development.

C  
o  
p  
y

